

U.S. DEPARTMENT OF THE TREASURY

AN INTRODUCTION TO THE

Coronavirus State and Local Fiscal Recovery Funds Compliance and Reporting Guidance

**For metropolitan cities and counties with a population less than
250,000 which received more than \$5 million in SLFRF funding**

June 2021



Webinar Overview

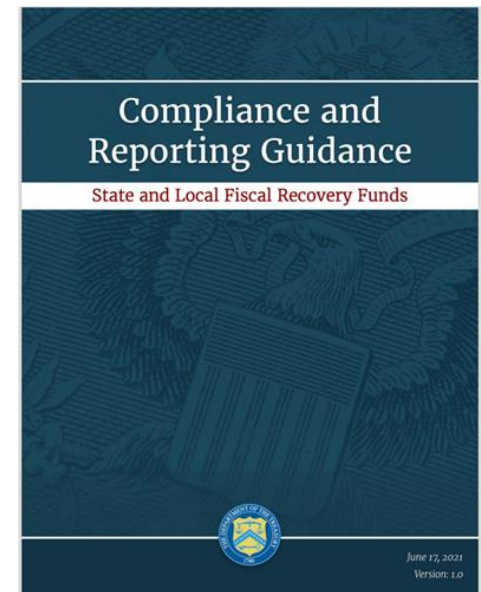
The content of this webinar specifically covers the compliance and reporting requirements of the State and Local Fiscal Recovery Funds program for:

Metropolitan cities and counties with a population less than 250,000 which received more than \$5 million in SLFRF funding

If you do not fall into this category of recipient, other webinar sessions are scheduled this week specifically addressing your requirements.

This session provides an introduction to your compliance and reporting responsibilities as discussed in the SLFRF Compliance and Reporting Guidance. You can find this document at treasury.gov/SLFRPreporting.

The session will not cover the State and Local Fiscal Recovery Fund Interim Final Rule or permitted uses under the Interim Final Rule.



SLFRF Webinar Schedule

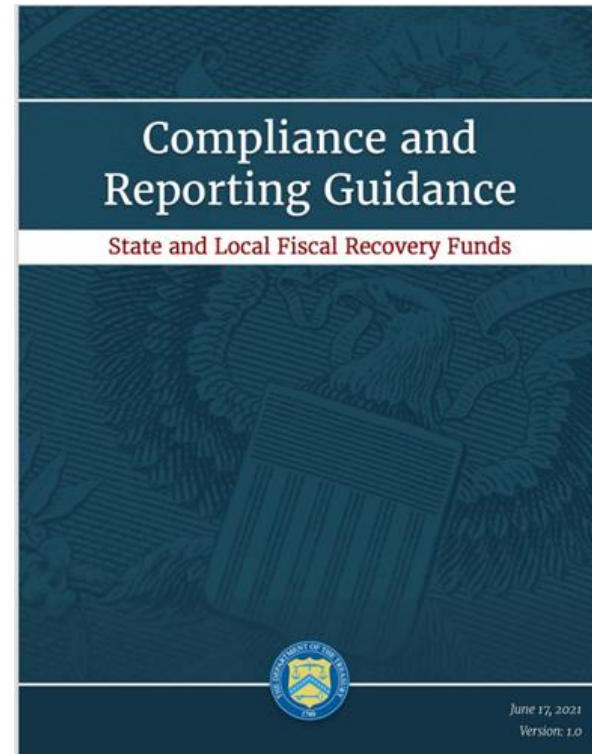
Please refer to the chat for the registration links

States and Territories	Tuesday, June 22 at 1:30 – 2:30 p.m. ET
Metropolitan cities and counties with a population that exceeds 250,000 residents	Thursday, June 24 at 1:30 – 2:30 p.m. ET
Metropolitan cities and counties with a population below 250,000 residents which received more than \$5 million in SLFRF funding	Thursday, June 24 at 12:00 – 1:00 p.m. ET Friday, June 25 at 1:30- 2:30 p.m. ET
Metropolitan cities and counties with a population below 250,000 residents which received less than \$5 million in SLFRF funding	Tuesday, June 22 at 11:30 a.m. – 12:30 pm Wednesday, June 23 at 1:30 – 12:30 p.m. ET
Tribes / Tribal Associations	Monday, June 28 at 3:00 – 4:00 p.m. ET

Agenda

This session provides an introduction to your compliance and reporting responsibilities as discussed in the SLFRP Compliance and Reporting Guidance. You can find this document at treasury.gov/SLFRPreporting.

- **Overview**
- **Part 1: General Guidance**
- **Part 2: Reporting Guidance**
- **Q&A**



SLFRF Resources



For More Information:

Please visit Treasury's State & Local website at www.treasury.gov/SLFRP

To Request Funding:

Please visit www.treasury.gov/funding

For Media Inquiries:

Please contact the U.S. Treasury Press Office at (202) 622-2960

For General Inquiries:

Please email SLFRP@treasury.gov

Overview

The American Rescue Plan Act of 2021

The American Rescue Plan Act (ARPA) is providing fast and direct economic assistance for American workers, families, small businesses, and industries and it:

- Continues programs started by the CARES Act in 2020 and Consolidated Appropriations Act in 2021.
- Adds new phases, allocations, and guidance to address issues related to the continuation of the COVID-19 pandemic.
- Creates new programs to address continuing pandemic-related crises, and fund recovery efforts as the United States begins to emerge from the COVID-19 pandemic.
- Was passed by Congress on March 10, 2021, and signed into law on March 11, 2021.

Coronavirus State and Local Fiscal Recovery Funds Overview

ARPA created the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program to deliver \$350 billion for state, territories, municipalities, counties, and Tribal governments much needed aid.

The key objectives for SLFRF are to:

- Support the urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control.
- Replace lost revenue for eligible recipients to strengthen support for vital public services and help retain jobs.
- Support immediate economic stabilization for households and businesses.
- Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic on certain populations.

Interim Final Rule

SLFRF is subject to the requirements and guidance specified in the Interim Final Rule, adopted on May 10, 2021. The Interim Final Rule:

- Establishes a framework for determining the types of programs and services eligible under ARPA.
- Builds on the use of eligible expenditures under the Coronavirus Relief Fund (CRF).
- Recognizes the broad range of eligible uses to help SLFRF recipients.
- Establishes certain regular reporting requirements, including requiring certain recipients to publish information regarding use of SLFRF spend.

Treasury is seeking comments on all aspects of the Interim Final Rule.

Comments are due July 16, 2021 and can be electronically submitted through the Federal eRulemaking Portal or via mail to the Treasury.

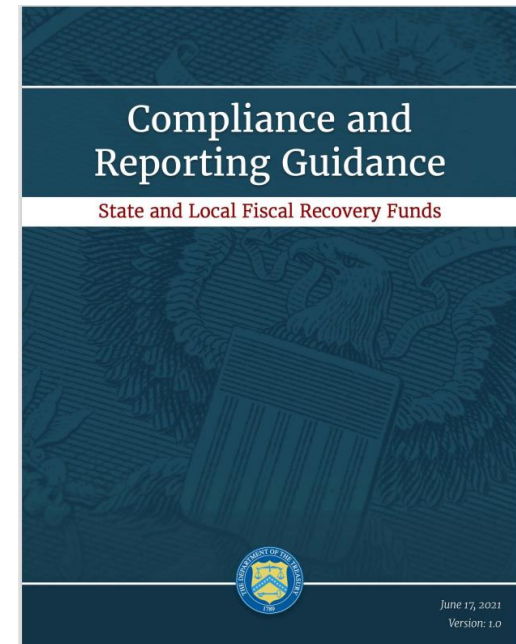
Compliance and Reporting Guidance Overview

On Jun 17, 2021, Treasury released the SLFRF **Compliance and Reporting Guidance**, which builds on the Interim Final Rule.

All SLFRF recipients are required to meet the compliance and reporting responsibilities noted in the Interim Final Rule.

The Reporting Guidance is broken into two parts:

- (1) General Guidance
- (2) Reporting Requirements



Purpose of the Reporting Guidance

The SLFRF Reporting Guidance will ensure a speedy, equitable, transparent, and accountable recovery for all Americans



Accountable: Ensure recipients fulfill their compliance responsibilities and use funding as intended



Transparent: Provide the public data on how these funds were used and the outcomes achieved



User Friendly: Provide as easy and efficient user experience as possible

Part 1: General Guidance

Recipient Compliance Overview



- Part 1B: Statutory Eligible Uses
- Part 1C: Treasury's Interim Final Rule
- Part 1D: Uniform Guidance (2 CFR) Requirements
- Part 1D: Award Terms & Conditions

Parts 1B and 1C: Statutory Eligible Uses and Treasury's Rulemaking

Part 1.C.1: Eligible and Restricted Uses

- SLFRF has four permitted uses and certain restricted uses

Part 1.C.2: Eligible Cost Timeframe

- Eligible costs incurred between March 3, 2021 and December 31, 2024
- Funds obligated by December 31, 2024 and expended by December 31, 2026

Part 1.C.3: Reporting Requirements

- Generally, initial interim report, quarterly or annual Project and Expenditure reports, and Recovery Plan

Parts 1D and 1E: Uniform Administrative Requirements and Award Terms and Conditions

SLFRF recipients must follow the Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) and the Terms and Conditions of the SLFRF assistance.

- Allowable Activities
- Allowable Costs/Cost Principles (such as administrative costs and salaries and expenses)
- Cash Management
- Eligibility
- Subrecipient Monitoring
- SAM.gov Requirements
- Recordkeeping Requirements
- Single Audit Requirements
- Civil Rights Compliance

Part 2: Reporting Guidance

Reporting Requirements

Metropolitan city or county with a population below 250,000 residents and receiving more than \$5 million in funding submit:

	1. Interim Report	2. Project and Expenditure Report
Contents	<ul style="list-style-type: none">• Initial overview of status and uses of funding	<ul style="list-style-type: none">• Types of projects funded• Financial data• Information on contracts, grants, and subawards over \$50,000
Frequency & Submission Date	<ul style="list-style-type: none">• One-time• By August 31, 2021• Covers date of award through July 31, 2021	<ul style="list-style-type: none">• Quarterly• By October 31, 2021 and 30 days after the end of each quarter thereafter

Key Concept: Expenditure Category

An Expenditure Category (EC) is a coding system to track how funding is used, and will also be used to identify where additional programmatic data is required.

Appendix 1 includes a list of 66 Expenditure Categories.

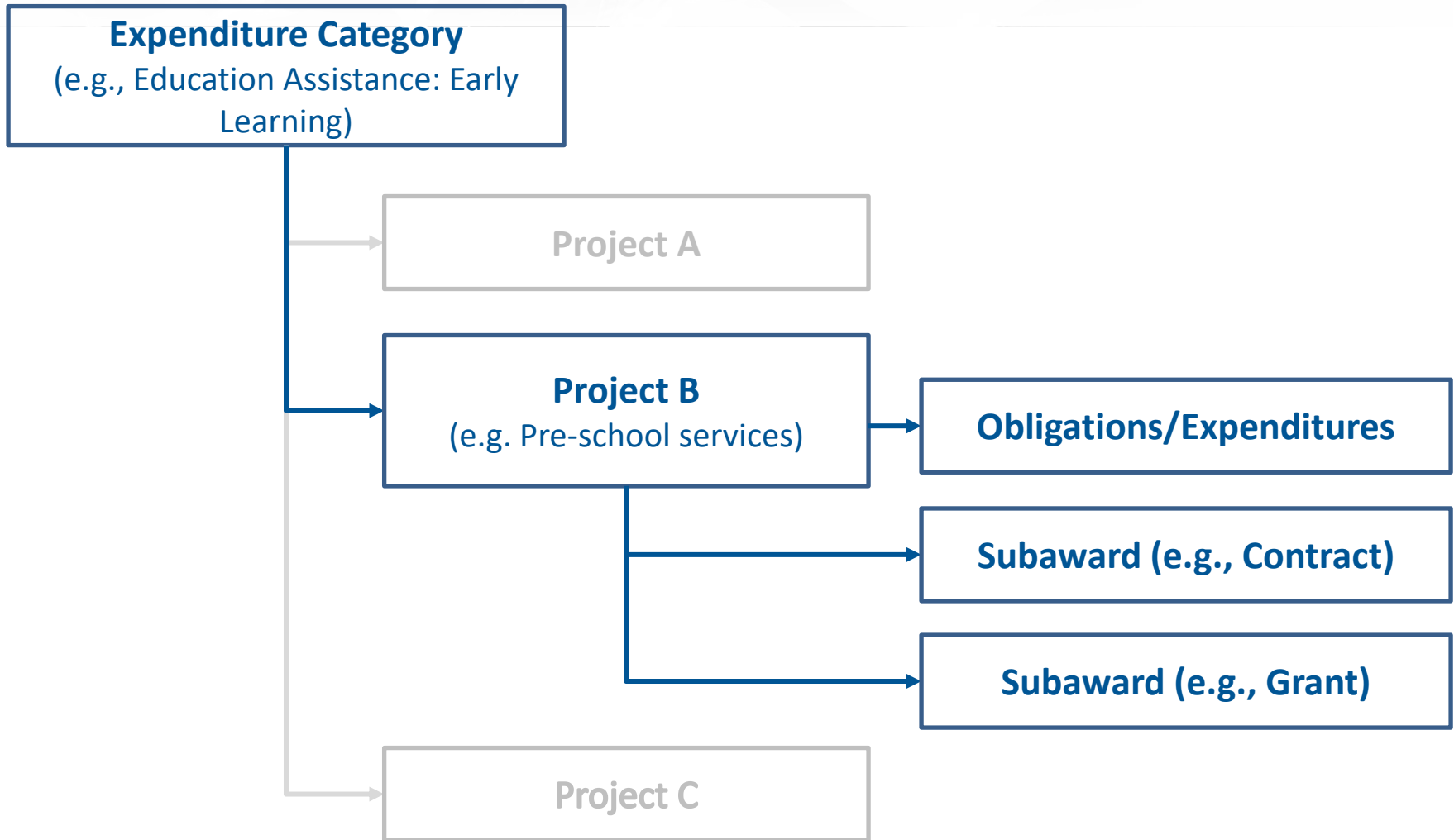
1: Public Health	
1.1	COVID-19 Vaccination ^
1.2	COVID-19 Testing ^
1.3	COVID-19 Contact Tracing
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)*
1.5	Personal Protective Equipment
1.6	Medical Expenses (including Alternative Care Facilities)
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
1.10	Mental Health Services*
1.11	Substance Use Services*
1.12	Other Public Health Services

Key Concepts: Projects

Projects:

- Closely related activities toward a common purpose/goal
- New or existing services or investments
- Funded in whole or in part by SLFRF funding
- Each project must align to one Expenditure Category. Projects break down an Expenditure Category into more detail.
- Recipients have flexibility to define their projects – but must provide a sufficient level of detail to be able to report on specific activities for each project, including any required program reporting.

Key Concepts: Relationships



Part 2A: Interim Report

Initial overview of status and funding (covering spending from March 3 to July 31, 2021) and is due August 31, 2021.

One-time report to provide obligations and expenditures by Expenditure Category.

ID	Category	Cumulative Obligations to Date	Cumulative Expenditures to Date
1	Public Health		
1.1	COVID-19 Vaccination	\$1,000,000	\$800,000
1.2	COVID-19 Testing	\$1,800,000	\$1,100,000
1.3	COVID-19 Contact Tracing		
1.4	Prevention in Congregate Settings	\$3,498,000	

Required Programmatic Data includes:

Revenue Replacement

- Revenue replacement formula and other revenue calculation details and exclusions
- If available, use audited data
- Description of services provided

Part 2B: Project and Expenditure Report

Project and Expenditure Reports include projects and contracts, grants, and subawards over \$50,000. First report is due on **October 31, 2021**, and quarterly thereafter.

Projects and Expenditures

- Project Inventory
- Expenditures
- Project Status
- Project Demographic Distribution
- Civil Rights Compliance

Subawards

- Subawards

Program data

- Required Programmatic Data
- Required Programmatic Data (for infrastructure)

Part 2B: Project and Expenditure Report- Project Demographic Distribution

Identify whether or not the project is serving an economically disadvantaged community, based if program or service is:

- Provided at a physical location in a Qualified Census Tract (QCT)
- Primary intended beneficiaries live within a QCT
- Eligibility criteria are such that the primary intended beneficiaries earn less than 60 percent of the median income; or
- Eligibility criteria are such that over 25 percent of intended beneficiaries are below the federal poverty line.

Part 2B: Project and Expenditure Report- Programmatic Data (Non-Infrastructure Projects)

Provide specific programmatic data requirements for non-infrastructure projects for each Expenditure Category, including:

- Payroll for Public Health and Safety Employees
- Household Assistance
- Small Business Economic Assistance
- Aid to Travel, Tourism, and Hospitality or Other Impacted Industries
- Rehiring Public Sector Staff
- Education Assistance
- Premium Pay
- Revenue Replacement

Part 2B: Project and Expenditure Report- Programmatic Data (Non-Infrastructure Projects)

Infrastructure projects must report detailed project level information, location, and expenditure data

All Water, Sewer, and Broadband infrastructure projects over \$10m must also report:

- Number of employees/contractors
- Number of direct or third party hires
- Wages/benefits by worker classification
- Whether wages are at prevailing wage

Recipients must also report:

- Detailed information on the wages and benefits provided, and how they will ensure a ready supply of skilled and unskilled labor, minimize the risk of labor disputes, and ensure a safe and healthy workplace.
- Some additional reporting requirements may be waived for recipients who can certify compliance with Davis-Bacon or certify they have entered into a Project Labor Agreement.

Treasury Submission Portal and Training

- Information submitted via Treasury Submission Portal.
- Detailed User Guide and reference materials will be provided
- Technical assistance webinars to support recipients' reporting requirements.
- Further communications to be posted on Treasury's website.

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Q&A

Thank you



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